

# SENATE BILL REPORT

## SSB 5481

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As Passed Senate, March 2, 2007

**Title:** An act relating to conservation measures in performance-based contracting.

**Brief Description:** Including conservation measures in performance-based contracting.

**Sponsors:** Senate Committee on Water, Energy & Telecommunications (originally sponsored by Senators Oemig, Delvin, Rockefeller, Fraser and Regala).

**Brief History:**

**Committee Activity:** Water, Energy & Telecommunications: 1/26/07, 1/30/07 [DPS].  
Passed Senate: 3/02/07, 48-0.

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### SENATE COMMITTEE ON WATER, ENERGY & TELECOMMUNICATIONS

**Majority Report:** That Substitute Senate Bill No. 5481 be substituted therefor, and the substitute bill do pass.

Signed by Senators Poulsen, Chair; Honeyford, Rockefeller, Vice Chair; Delvin, Fraser, Holmquist, Marr, Morton, Oemig, Pridemore, and Regala.

**Staff:** William Bridges (786-7424)

**Background:** Municipalities and the Department of General Administration (GA) use "energy saving performance contracting" to identify and implement cost-effective conservation improvements in public buildings. In this process, a municipality or GA may hire a company to conduct an energy audit, complete the design work, provide financing, and serve as the general contractor to install any energy efficiency measures. Payments to the company are conditioned on energy cost savings.

Water conservation opportunities are often identified in the course of the energy audits. In August 2005, GA was advised by its attorney that water conservation projects could not be completed using energy saving performance contracting. Because of this opinion, GA has stopped pursuing water conservation projects.

**Summary of Substitute Bill:** The provisions concerning energy saving performance contracting are amended to allow for measures to conserve water and to reduce wastewater and solid waste.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: This bill is necessary because two years ago the attorney for the Department of General Administration informed the agency that water conservation projects could not be pursued in energy saving performance contracting.

**Persons Testifying:** PRO: Clint Lougheed, Department of General Administration.